

1 BEFORE THE ARIZONA CORPORATION COMMISSION 2 **SUSAN BITTER SMITH** Arizona Corporation Commission 3 Chairman DOCKETED **BOB STUMP** Commissioner 4 MAR 1 3 2015 **BOB BURNS** 5 Commissioner DOCKETED BY **DOUG LITTLE** 6 Commissioner **TOM FORESE** ORIGINAL 7 Commissioner 8 LORI S. DANIELS, **DOCKET NO. T-01051B-14-0389** 9 Complainant, 10 QWEST CORPORATION d/b/a CENTURYLINK QC'S NOTICE OF 11 QWEST CORPORATION d/b/a FILING DIRECT TESTIMONY 12 CENTURYLINK QC, 13 Respondent. 14 15 Qwest Corporation dba CenturyLink QC ("CenturyLink") hereby files the attached Direct Testimony of Carolyn Brown and of Reed Peterson, on behalf of Qwest Corporation, pursuant to the 16 February 18, 2015 Procedural Order in the above-captioned proceeding. 17 18 RESPECTFULLY SUMBITTED this 13th day of March, 2015. 19 QWEST CORPORATION d/b/a 20 CENTURYLINK-OC 21 22 Norman G. Curtright Associate General Counsel 23 20 E. Thomas Road, 1st Floor Phoenix, Arizona 85012 24 Telephone: (602) 630-2187

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1	ORIGINAL and thirteen (13) copies of the filed this 13th day of March, 2015, with:	foregoing
2	Docket Control	
3	Arizona Corporation Commission	
4	1200 West Washington Street Phoenix, Arizona 85007	
5	CODING CALLS A LABOR A	
6	COPIES of the foregoing hand-delivered this same day to:	
7	Janice Alward	Steve Olea, Director
8	Legal Division Arizona Corporation Commission	Utilities Division Arizona Corporation Commission
9	1200 West Washington Street Phoenix, Arizona 85007	1200 West Washington Street Phoenix, Arizona 85007
10	Lyn Farmer	
11	Hearing Division Arizona Corporation Commission	
12	1200 West Washington Street Phoenix, Arizona 85007	
13	COPIES of the foregoing mailed this 13th day of March, 2015 to:	
14	Lori Daniels	
15	1969 W. Ray Road, Suite 1 Chandler, AZ 85224	
16	Chandrer, AZ 63224	
17		
18	Reel Return	-
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BEFORE THE ARIZONA CORPORATION COMMISSION

SUSAN BITTER SMITH

Chairman

BOB STUMP

Commissioner

TOM FORESE

Commissioner

DOUG LITTLE

Commissioner

BOB BURNS

Commissioner

LORI S. DANIELS

Complainant

VS.

DOCKET NO. T-01051B-14-0389

QWEST CORPORATION d/b/a CENTURYLINK QC

DIRECT TESTIMONY

OF

REED PETERSON

ON BEHALF OF

CENTURYLINK

MARCH 13, 2015

ARIZONA CORPORATION COMMISSION DOCKET NO. T-01051B-14-0389 CenturyLink-QC Direct Testimony of Reed Peterson March 13, 2015, Page 1 of 16

1 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION WITH

- 2 CENTURYLINK.
- 3 A. My name is Reed Peterson. My business address is 20 E. Thomas Road, Phoenix, Arizona.
- I am currently employed by CenturyLink as the Regulatory Affairs Director for
- 5 CenturyLink in Arizona. I have been continuously employed by CenturyLink and its
- 6 predecessor companies or affiliates for 37 years.

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- 8 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND
- 9 **EMPLOYMENT EXPERIENCE.**
- 10 A. In 1976 I received a degree in Business Administration from the University of Utah. In
- 11 1986, I received a Masters of Business Administration degree from the University of
- 12 Phoenix.

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- 14 As the Regulatory Affairs Director for Arizona, I am responsible for the Company's
- relationship with the various departments and personnel at the Arizona Corporation
- 16 Commission. My current responsibilities also include oversight of all regulatory filings
- and dockets for CenturyLink in Arizona, including tariffs. I have been continuously
- involved in one capacity or another with regulatory filings and issues for CenturyLink and
- its predecessor companies in Arizona since 1990. From 1986 to 1990 I worked as a Docket
- Manager in the Rates and Costs Department for the National Exchange Carrier Association
- 21 (NECA) in Whippany N.J. From 1981 to 1986 I was an Assistant Staff Manager in the
- Rates and Tariffs department for Mountain Bell in Salt Lake City, Utah. From 1978 to
- 23 1981 had held several positions in the Business Sales department of Mountain Bell in Salt
- Lake City, Utah.

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1 Q. PLEASE EXPLAIN YOUR UNDERSTANDING OF THE COMPLAINT.

2 A. The core dispute in this matter is Ms. Daniels' claim that she was charged for over 10 years for a service that she no longer needed.

4 Q. DOES CENTURYLINK DISPUTE HER CLAIM?

5 A. Yes. CenturyLink disputes Ms. Daniel's claim because she ordered a service which was 6 provided, used by her, and billed according to the terms of tariffs and approved by the 7 Arizona Corporation Commission. In recognition of her long-term customer relationship, 8 and in an effort to resolve the dispute amically without litigation, we have extended 9 some bill credits, and made other offers of compromise, but she has not accepted a settlement. Throughout the course of discussions CenturyLink has declared, and in my 10 11 testimony today I repeat, CenturyLink has acted in accordance with law and that its 12 position is just.

13 Q. DOES SHE IDENTIFY THE SERVICE IN HER COMPLAINT?

14 A. In her complaint, she describes a service arrangement that she agreed to approximately 20
15 years ago at the time she moved her office from Gilbert to Chandler. She wanted to
16 continue using the Gilbert telephone number and have those calls answered at her
17 Chandler Office. She states that she was presented with two options to accomplish this.
18 She could either pay for each call individually, or she could be charged a monthly amount
19 that would cover all calls. She decided upon the second option, i.e. a monthly charge.

20 Q. WHAT CHANGES HAD TO BE MADE TO HER SERVICE TO ACCOMPLISH 21 THIS?

A. To have her Gilbert number work at her Chandler location, Ms. Daniels needed to order Foreign Central Office ("FCO") service. This service would allow calls to the Gilbert number to be routed from CenturyLink's Gilbert switching office over a dedicated circuit of approximately 5 miles to the Chandler switching office, and then over another dedicated facility from the Chandler switching office to Ms. Daniels' Chandler office.

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- The monthly charges that Ms. Daniels agreed to pay for this arrangement help to cover the cost of the dedicated circuit and common equipment and facilities associated with the service.
- 4 Q. DOES MS. DANIELS DISPUTE THE FACT THAT SHE DID IN FACT ORDER
 5 THIS SERVICE?
- A. No. In fact, she readily admits that she selected this arrangement over an alternative one in order to be able to continue using her Gilbert telephone number, although she states she did not know that Foreign Central Office was the name of the service.
- 9 Q. DOES SHE DISPUTE THE FACT THAT SHE NEVER REQUESTED
 10 DISCONNECTION OF THIS SERVICE PRIOR TO 2013?
- 11 A. No. Ms. Daniels provided a "Chronology of Events" (Chronology) in her original 12 complaint filed on November 14, 2014. She also provided a "Timeline of Events and 13 Correspondence with CenturyLink" (Timeline) as Exhibit 1 of the response she filed on 14 January 23, 2015. Neither document includes any assertion that she had requested the 15 service to be discontinued prior to August or September of 2013.¹
- 16 Q. DOES MS. DANIELS CLAIM THAT THE FCO SERVICE WAS NEVER
 17 PROVIDED OR DID NOT FUNCTION PROPERLY FROM THE TIME SHE
 18 ORDERED IT IN APPROXIMATELY 1993 UNTIL THE 2013 CONVERSATION
 19 WITH THE CENTURYLINK TECHNICIAN?
- 20 N. No.
- 21 Q. DOES MS. DANIELS CLAIM THAT SHE DID NOT USE THE SERVICE?
- A. No. She used FCO until she cancelled the service in 2013. In fact, to this day, she still requires the same functionality that FCO provides, because she is still having calls to her

¹ There is a discrepancy between the Chronology and the Timeline as to when this occurred. The Chronology indicates that a technician advised her office manager of an alternative service in September of 2013. The Timeline indicates that this event took place in August of 2013.

original Gilbert number terminated at her Chandler location. The only difference is the method by which this is being done. Now, this functionality is provided to her by software defined call routing which is called Location Number Portability, which I discuss below.

5 Q. PLEASE DESCRIBE LOCATION NUMBER PORTABILITY AND HOW IT DIFFERS FROM FCO?

A. Location Number Portability was deployed in the Phoenix area in 1999, as noted in Ms.

Brown's testimony. Whereas the FCO service ordered by Ms. Daniels utilized physical
equipment and facilities which was dedicated for the exclusive use of the customer to
accomplish the transport of calls from Gilbert to Chandler, Location Number Portability
instead uses software technology and common, or shared, facilities to instruct the various
switches involved in how to route a call from one switch to another.

13 Q. PLEASE PROVIDE SOME BACKGROUND ON THE DEVELOPMENT OF 14 LOCAL NUMBER PORTABILITY ("LNP").

15 After the Telecommunications Act of 1996, companies like CenturyLink were ordered to A. 16 deploy LNP in connection with the onset of competition in the marketplace for local exchange telephone service.² LNP was viewed as something that would advance 17 18 competition by allowing customers to retain their telephone numbers when changing to 19 an alternative provider of local exchange service. The type of LNP technology used in 20 connection with porting numbers between different carriers is referred to as "Provider 21 Number Portability." The FCC specifically mandated the deployment of Provider 22 Number Portability, as described in Carolyn Brown's direct testimony.

² See Section 251 (b)(2) of the Telecommunications Act of 1996

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Q. CAN LNP BE USED IN CIRCUMSTANCES WHERE THE CUSTOMER IS NOT SWITCHING CARRIERS?

- 3 A. Yes. LNP technology can also be used to offer Location Number Portability, which allows a customer to keep the same number if he/she moves to another location within a 4 certain area (generally the same rate center). The FCC did not order providers like 5 CenturyLink's predecessors to offer Location Number Portability. But, CenturyLink's 6 predecessor U S WEST / Qwest voluntarily made the decision to develop and implement 7 8 Location Number Portability subsequent to the deployment of Provider Number 9 Portability.
- 10 Q. DOES THE COMPANY SOMETIMES REFER TO LOCATION NUMBER
 11 PORTABILITY USING THE MORE GENERIC TERM LOCAL NUMBER
 12 PORTABILITY OR LNP?
- 13 A. Yes. Such was the case in our Answer to Complaint.

14 Q. WHAT LIMITATIONS ARE THERE ON PROVIDING LOCATION NUMBER 15 PORTABILITY?

- 16 A. Location Number Portability cannot be provided where the number would be terminated 17 in a different area code, and is not provided for termination in a different rate center. The 18 company continues to offer FCO service for those situations and it remains a valid tariff 19 offering at this time. FCO remains in place for customers who wish to retain their 20 telephone number, but move from one rate center or area code to another. In the Phoenix 21 metropolitan area, we have 3 area codes, 602, 480, and 623, so it is a common issue.
- Q. DID MS. DANIELS EVER DISPUTE OR QUESTION THE FCO CHARGES ON HER BILL?
- A. Our records of her account do not contain any indications that she asked questions about the charges for this service or disputed the applicability or accuracy of the charges from the time it was originally provisioned until 2013. Her original complaint filed on

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1 November 14, 2014, contains an explicit acknowledgement that she knew about the nature 2 of the service as well as the associated charges. "When I moved from Gilbert to Chandler, I was only told about the charges for 3 keeping my same phone number."³ 4 5 and. "I knew I had a local number and the term "Foreign Central Office" meant 6 nothing to me."4 7 In my experience, it is common for our customer service representatives to discuss 8 9 services with customers in non-technical terms, avoiding telco jargon. Regardless of 10 whether the term "Foreign Central Office" was used at the time, it is undisputed that Ms. Daniels understood the function the service performed, and what the charges were.⁵ The 11 fact that her order may have been discussed in lay terms instead of tariff terminology is 12 13 no basis for allowing a claim of lack of knowledge or deception 20 years later. WAS A DETAILED BREAKDOWN OF THE CHARGES ASSOCIATED WITH 14 Q. 15 HER ACCOUNT, INCLUDING THOSE RELATED TO HER FCO SERVICE, 16 PROVIDED ON HER BILL EACH MONTH? Yes. As an example, I have provided a copy of her July 2013 bill as exhibit RP-1 17 18 showing the breakdown of these charges. A similar summary was included on each of 19 her bills during the timeframe in question.

³ Complaint, Page 2, Response to CenturyLink Letters

⁵ Although the Commission's Cramming rules were not adopted at the time of Ms. Daniels' initial order for FCO service, R14-2-2005B requires the Company to provide an explanation of each product or service offered to customers requesting a new service for their account. Ms. Daniels own account of the discussion she had when ordering the FCO service establishes the Company's good faith attempt in its dealings with customers to adhere to the principles of transparency, clarity, and understanding ultimately embodied in the rules through the utilization of lay terminology.

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- Q. MS. DANIELS STATES IN HER RESPONSE FILED ON JANUARY 23, 2015
 THAT "NO SERVICE FOR 'FOREIGN CENTRAL OFFICE SERVICE' WAS
 EVER DELINEATED ON THE BILL" AND ALLEGES THAT THE FAILURE
 TO INCLUDE THAT EXACT TERM CONSTITUTES A DECEPTIVE
 PRACTICE. PLEASE RESPOND TO THAT STATEMENT.
- Ms. Daniels does not dispute the fact that she specifically requested the arrangement 6 A. 7 made possible by FCO service in connection with her move from Gilbert to Chandler, and agreed to pay monthly charges for this arrangement. She was clearly not deceived 8 9 about the purpose of the service, or the fact that it carried monthly charges. The charges 10 for the service appeared on her bill each month for approximately 20 years and were never disputed by her because she knew that they were connected to the arrangement she 11 12 had requested – even if she didn't understand what terminology was used to describe that 13 service. Although the exact term "foreign central office" does not appear on the bill, the individual billing elements associated with the service do appear and those elements 14 accurately reflect what CenturyLink has been authorized to bill in connection with its 15 16 FCO service pursuant to its tariffs.
- 17 Q. MS. DANIELS FURTHER ALLEGES THERE WERE MISREPRESENTATIONS ON THE PART OF CENTURYLINK BECAUSE "THE TERM 'FOREIGN 18 19 CENTRAL OFFICE SERVICE' IS NOT DEFINED UNDER THE DEFINITIONS 20 SET FORTH ON THE ACC WEBSITE OR IN THE AAC RULES AND REGULATIONS." DO THE RULES AND REGULATIONS OF THE ARIZONA 21 22 ADMINISTRATIVE CODE OR ANY STATE STATUTES REQUIRE THAT THE 23 SERVICES OFFERED BY A UTILITY BE INCLUDED WITHIN THE 24 **DEFINITIONS OF THOSE REGULATIONS?**
- 25 A. No. In fact, the Arizona Administrative Code which governs the regulation of CenturyLink provides that the billing for services it offers is governed by tariffs that are

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filed with the Commission.⁶ The rules are not intended to incorporate all of the rates, terms and conditions associated with the hundreds of services offered by companies such as CenturyLink. Even the very definitions that she cites in Exhibit 2 of her January 23, 2015 response make it clear that the services offered by a utility will be provided pursuant to filed tariffs.⁷

Q. WOULD YOU PLEASE EXPLAIN WHERE CENTURYLINK OBTAINS AUTHORIZATION FOR THE TERMS, CONDITIONS, AND RATES OF THE REGULATED SERVICES IT PROVIDES?

9 A. CenturyLink is authorized to bill for regulated services like FCO pursuant to its tariffs which are filed with and approved by the Arizona Corporation Commission, as set forth in A.R.S. 40-365. Exhibit RP-2 is a copy of the current tariff for Foreign Central Office Service.

C. Filing of Tariffs, Price Levels, and Contracts. Each telecommunications company governed by this Article shall file with the Commission current tariffs, price levels, and contracts that comply with the provisions of this Article and with all Commission rules, orders, and all other requirements imposed by the laws of the state of Arizona.

Under rules and regulations the commission prescribes, every public service corporation shall file with the commission, and shall print and keep open to public inspection, schedules showing all rates, tolls, rentals, charges and classifications to be collected or enforced, together with all rules, regulations, contracts, privileges and facilities which in any manner affect or relate to rates, tolls, rentals, classifications or service. The commission may, from time to time, approve or fix rates, tolls, rentals or charges in excess of or less than those shown by the schedules. The commission may, from time to time, determine and prescribe by order such changes in the form of the schedules as it finds expedient, and modify the requirements of any of its orders, rules, or regulations.

⁶ A.A.C. R14-2-1115

^{1.} Current tariffs for competitive services shall be maintained on file with the Commission pursuant to the requirements of A.R.S. § 40-365.

^{2.} Current price levels for competitive services shall be filed with the Commission pursuant to the requirements of R14-2-1109(B).

⁷ See A.A.C. R14-2-501.20. "Tariffs." The documents filed with the Commission which list the utility services and products offered by the utility and which set forth the terms and conditions and a schedule of the rates and charges for those services and products.

⁸ A.R.S. 40-365. Filing of rate schedules by public service corporations

1 Q. ARE THE FCO BILLING CODES IN THE TARIFF THE SAME BILLING 2 CODES IDENTIFIED ON MS. DANIELS' BILL?

- A. Yes. I have provided Exhibit RP-3 which identifies the codes on her July 2013 bill and cross references them to the tariff. The exhibit identifies the four separate FCO billing elements identified on Ms. Daniels' bill and through a series of codes, correlates them to the FCO tariff. The codes show the correlation between how the description, billing code, and rates, designated as D 1-4, B 1-4, and R 1-4 respectively, are used in the tariff and on the bill.
- 9 Q. IN YOUR OPINION, ARE THESE BILLING CODES, DESCRIPTIONS, AND
 10 RATES IN ANY WAY DECEIVING AS TO EITHER HOW THEY RELATE TO
 11 THE SERVICE BEING PROVIDED OR TO THE AUTHORIZED CHARGES
 12 FOR THE SERVICE?
- 13 A. No. These codes and the associated charges reflected on the bill are clearly identified and
 14 relate directly to the various components required to provision the service as well as the
 15 charges approved in the tariff for FCO, as shown in Exhibit RP-3. There is nothing
 16 deceptive about the charges or their associated billing codes.
- 17 Q. WAS CENTURYLINK DECEPTIVE BY NOT INCLUDING THE TERM 18 "FOREIGN CENTRAL OFFICE" ON ITS BILL?
- A. Absolutely not. The FCO-related charges on the bill are itemized by the components that comprise the service. The bills divulge greater, not lesser detailed information.

 Itemization of the charges for the elements which comprise the functionality ordered by the customer cannot reasonably be considered misleading or deceptive.
- 23 Q ARE CENTURYLINK'S TARIFFS OPEN TO PUBLIC INSPECTION TO 24 CUSTOMERS LIKE MS. DANIELS, AS REQUIRED BY A.R.S. 40-365.
- 25 A. Yes. CenturyLink's tariffs are available to customers in a variety of ways. They are available for inspection at both CenturyLink's offices and at the Corporation

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1	Commission. They are also available for viewing online on both the Company website at
2	www.centurylink.com and the Arizona Corporation Commission's website at
3	www.azcc.gov. The availability of CenturyLink's tariffs for public inspection and
4	information on how to obtain or view copies is also explained in the company's telephone
5	directories. See Exhibit RP-4.

- Q. MS. **DANIELS** STATES THAT THE **STATUTE** OF LIMITATIONS 6 7 **DELINEATED IN A.R.S. 40-248 B DOES NOT APPLY BECAUSE PARAGRAPH** 8 A OF A.R.S. 40-248 PERMITS REPARATIONS BACK TO THE DATE OF 9 COLLECTION IN INSTANCES WHERE THE CORPORATION HAS MADE AN EXCESSIVE OR DISCRIMINATORY CHARGE. DO YOU AGREE WITH THIS 10 11 STATEMENT?
- 12 A. No. First, Ms. Daniels' does not provide any evidence or support for a finding that the charges she was billed for FCO service were either excessive or discriminatory; nor has any such investigation as required by the statute been undertaken by the Commission. Second, her position that the statute of limitations does not apply merely regurgitates the initial subparagraph of Section A.R.S. 40-248, without supporting explanation. She does not offer an alternative explanation to CenturyLink's interpretation and application of the limitation language of subparagraph 248(B).
- Q. EVEN IF HER ALLEGATIONS WERE VALID, DID MS. DANIELS PROVIDE
 AN ACCURATE CALCULATION OF THE AMOUNT OF DAMAGES SHE
 CLAIMS?
- A. No. Ms. Daniels bases her calculation on a credit for \$105.76 that appeared on her September 2013 bill which is totally unrelated to the FCO service. This credit relates to the way charges which are billed in advance are reflected on our bills when there is a change to the billing date on an account. In these cases, the bill reflects both a debit and a credit to the account. The credit removes the charges billed in advance for the relevant time period and then a debit is entered to reinstate the charges for the new billing period.

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1		The \$105.76 credit on Ms. Daniels' September bill relates to the services that remained
2		on her account following the removal of her FCO charges. This is unambiguously
3		reflected on the bill with the following language on page 5.
4 5		"Credit for Monthly Service Previously Billed for Old Number for 16 days on Total of \$198.32 from Aug 23 to Sep 10105.76
6 7		Charge for Monthly Service Previously Billed for Old Number for 10 days on Total of \$198.32 from Aug 23 to Sep 04. \$66.11"
8		The \$198.32 amount on which this debit and credit were based is found on page 3 of the
9		bill under the category of "Monthly Charges." This section itemizes the services which
10		remained on the account after the FCO charges were removed.
11	Q.	HOW DOES CENTURYLINK BELIEVE THE DIFFERENCE BETWEEN THE
12		BILLING FOR FCO SERVICE AND LNP SHOULD BE CALCULATED?
13	A.	CenturyLink believes that the proper method of calculating the amount that she was
14		billed for FCO service would be to look at the actual tariffs that were in place for each
15		time period. The monthly amounts that she was billed for FCO service during the time
16		for which she is claiming a refund were as follows:
17		Jun 1, 2001 – May 1, 2006 – \$62.75
18 19		May 1, 2006 – April 1, 2007 - \$73.00 April 1, 2007 – September 1, 2013 - \$80.25
20		Exhibit RP-5 provides a calculation of the amount she was actually billed during this
21		time period.
22	Q.	DOES MS. DANIEL'S CALCULATION OF DAMAGES INCLUDE CREDIT FOR
23		ANY ADJUSTMENTS ALREADY PROVIDED BY THE COMPANY?
24	A.	No, it does not. She has agreed in her January 23, 2015 response to reduce any potential
25		reparation by \$1,089.56, which is the amount of credit the company has already provided
26		to her in connection with this matter.

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- Q. MS. DANIELS STATES THAT THE COMPANY OWES HER A REFUND BECAUSE IT SHOULD HAVE ADVISED HER BEFORE SEPTEMBER OF 2013 THAT SHE NO LONGER NEEDED FCO SERVICE. DO YOU KNOW WHETHER OR NOT THE COMPANY EVER HAD ANY COMMUNICATION WITH HER ABOUT THIS?
- A. I have no personal knowledge of any communications between Ms. Daniels and our business office about this matter. As I have stated previously, I have reviewed her account records and there is no indication that either she or the company initiated a discussion about this. However, as shown in the direct testimony of Carolyn Brown, as part of the implementation of LNP service in 1999, the company did send notification letters to all of its FCO customers to let them know of the availability of LNP and the potential cost savings for those who qualified.
- Q. MS. DANIELS REFERENCES SEVERAL CALLS INTO CENTURYLINK'S
 REPAIR OFFICE DUE TO SERVICE ISSUES OVER THE YEARS AND
 COMPLAINS THAT "NO ONE EVER STATED THAT IT WASN'T
 NECESSARY TO ROUTE THE CALLS THROUGH A FOREIGN EXCHANGE
 DUE TO ADVANCES IN THEIR TECHNOLOGY." ARE THE CENTURYLINK
 EMPLOYEES WHO ANSWER REPAIR CALLS TRAINED TO DISCUSS
 BILLING MATTERS RELATING TO A CUSTOMER'S ACCOUNT?
- A. No, that is outside of the scope of work for repair technicians. The protocol for handling repair calls would not typically have allowed for these types of discussions. Repair calls are very different from billing calls and require different systems and processes. The emphasis for calls to repair is to obtain the information necessary to respond to a trouble report and arrange for the appropriate response as quickly as possible. Any customer wishing to discuss billing details would have been referred to the regular business office.

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1 Q. COULD CENTURYLINK HAVE CHANGED MS. DANIELS SERVICE FROM FCO TO LNP WITHOUT HER EXPLICIT AUTHORIZATION?

- A. No Article 20 of the Arizona Administrative Code specifically prohibits companies
 from adding services to a customer's account without obtaining their express consent.
- 5 Q. DID CENTURYLINK EVER ATTEMPT TO OBTAIN AUTHORIZATION FROM
 6 MS. DANIELS TO SWITCH THE SERVICE FROM FCO TO LNP?
- Yes. The three notices referenced in Carolyn Brown's direct testimony each contained a section for the customer to complete stating that they authorized such a change. The third notice even contains an explicit statement that no changes could be made without this authorization. There is no record of a response from Ms. Daniels to any of these letters nor is there any record of a call to the business office to inquire about LNP.
- 12 Q. HOW DO YOU RESPOND TO MS. DANIEL'S STATEMENT THAT SHE

 "COULDN'T SEE WHERE THEY [THE LETTERS] WOULD APPLY TO ME

 BECAUSE I HAD NEVER HEARD THE TERM 'FOREIGN CENTRAL OFFICE

 SERVICE"?
- A. All three notices explicitly mention the fact that the customer receiving the letter is a "current subscriber of Foreign Central Office Service". Even if she didn't know what that meant, the notices still conveyed that this was something that impacted her account.

 Ms. Daniels made no attempt that we are aware of to verify why she received these notices for a service she didn't think she had authorized.
- Her argument falls apart completely in the face of the language contained in the third notice, which adds the following layman's explanation of what a foreign central office line is, and which is remarkably similar to the words she used to describe her understanding of what she had originally ordered.

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"Some businesses, such as yours, opted to pay for a monthly service that allows your existing telephone number(s) to ring at your new location. This is called a Foreign Central Office line."

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It is clear from these notices that CenturyLink made a good faith attempt at the time LNP was initially deployed to notify all of its FCO customers and provide them with an opportunity to change to the LNP service. Ms. Daniels has not shown where CenturyLink had a duty under any statute or rule to do more than this. Ms. Daniels neglected to respond to any of these three notices. It was not unreasonable for CenturyLink to move on under the assumption that customers who did not respond to the notices wished to keep the FCO arrangement.

- 11 Q. MS. DANIELS' COMPLAINT AND RESPONSE EACH MAKE REFERENCE TO
 12 WHAT SHE BELIEVES WAS UNRESPONSIVENESS AND EXCESSIVELY
 13 LONG RESPONSE TIMES TO HER REQUESTS FOR A RETROACTIVE
 14 CREDIT FOR THE FCO CHARGES AFTER HER SERVICE HAD BEEN
 15 REARRANGED FOR LOCATION PORTABILITY SERVICE. HOW DO YOU
 16 RESPOND?
- 17 According to Exhibit 1 of Ms. Daniel's January 23, 2015 response, it was in August of Α. 18 2013 that CenturyLink's technician explained the availability of LNP to her Office 19 Manager. The Company's billing records reflect that the change was made to remove the 20 FCO service from her account on August 13, 2013. It is clear that CenturyLink acted 21 quickly to make this change once it had received the necessary authorization from the 22 customer do so, which it had not received at any point prior to that time. No further 23 charges in connection with FCO service accrued to her account after that date and so the 24 delays of which Ms. Daniels' complains are only in connection with her belief that she is 25 entitled to credit for amounts she had previously paid. As shown in my testimony, the 26 Company respectfully disagrees that she is entitled to this credit.
 - It has been my experience in dealing with matters like this, where each party has a strong belief in the validity of its position, that each party takes whatever time it believes it

needs to fully consider and respond to any proposals and counter proposals. In this instance, CenturyLink responded with 1 adjustment and 2 separate good faith offers to settle this matter, without admitting any wrongdoing, each being of an incrementally greater monetary value than the last. Each offer required a response from Ms. Daniels. I was not directly involved in the initial settlement offer, but I know that in the case of the second offer which was conveyed to Ms. Daniels on April 28, 2014, that we made several attempts to follow up with her and left several messages and it still took nearly six weeks, until June 6, 2014, for CenturyLink to receive her response.

- 9 Q. DOES MS. DANIELS CITE ANY STATUTE OR RULE THAT CENTURYLINK
 10 HAS VIOLATED IN CONNECTION WITH ITS TIMELINESS IN DEALING
 11 WITH HER CONCERNING THIS MATTER?
- 12 A. No, she has provided no such citations.

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- 13 Q. PLEASE SUMMARIZE YOUR TESTIMONY.
- A. My testimony has shown that Ms. Daniels clearly understood what she ordered at the time she moved her offices and requested to retain her Gilbert telephone number. I have also demonstrated that she never questioned the need for the FCO arrangement or the associated monthly charges until 2013. My testimony, together with that of Ms. Brown, shows that U S WEST (now CenturyLink) actually did back in 1999 what she accuses us

⁹ The initial adjustment of 1 month's credit was given by the customer service representative shortly after the time the service was changed from FCO to LNP in response to a request by Ms. Daniels' office manager for a multi-year credit in connection with that change. After expressing dissatisfaction with this initial adjustment, an offer of 11 months credit was made to settle the dispute. Ms. Daniels initially accepted that offer and the Company provided an 11 month credit to her account – bringing the total amount of credit applied to the account to a full year. However, after that credit was made, Ms. Daniels contacted the Company representative and advised that "she had been advised not to accept the offer." Therefore, she rescinded her prior acceptance. However, even though the credit had been given with an understanding that it was in full settlement of Ms. Daniels' claim in connection with this matter and not as an adjustment for any admitted wrongdoing, CenturyLink nevertheless allowed the 11 month credit to remain on her account even after she called back to rescind her prior acceptance of the settlement offer.

ARIZONA CORPORATION COMMISSION DOCKET NO. T-01051B-14-0389 CenturyLink-QC Direct Testimony of Reed Peterson March 13, 2015, Page 16 of 16

of not doing in her complaint - i.e. reaching out to her in an attempt to allow her an opportunity to reduce the charges on her bill by taking advantage of the deployment of new technology. The fact that she did not respond to this outreach effort, for whatever reason, is not the fault of CenturyLink.

My testimony also demonstrates that CenturyLink was not deceptive in its billing for this service and that all charges billed to Ms. Daniels for FCO service were in full compliance with the Company's approved tariffs, the Arizona Administrative Code, and the Arizona Revised Statutes.

I have demonstrated that Ms. Daniels' calculation of alleged damages is faulty and omits credits that have already accrued to her account in connection with this issue. Ms. Daniels has benefited from these credits even though she has failed to show any wrongdoing on the part of CenturyLink.

13 Q. WHAT IS YOUR RECOMMENDATION?

A. Based on the testimony provided by CenturyLink. Ms. Daniels has failed to demonstrate that CenturyLink has violated any Commission rule or tariff, or that CenturyLink's actions were unreasonable or amounted to willful wrongdoing, or that the Company's practices were in any way deceptive. Therefore, I recommend that her complaint be fully dismissed and that no compensation beyond that which she has already received from CenturyLink be awarded in this case.

20 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

21 A. Yes.

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BEFORE THE ARIZONA CORPORATION COMMISSION

SUSAN BITTER SMITH

Chairman

BOB STUMP

Commissioner

TOM FORESE

Commissioner

DOUG LITTLE

Commissioner

BOB BURNS

Commissioner

LORI S. DANIELS

Complainant

vs.

QWEST CORPORATION d/b/a CENTURYLINK QC

DOCKET NO. T-01051B-14-0389

EXHIBITS

OF

REED PETERSON

ON BEHALF OF

CENTURYLINK

MARCH 13, 2015

EXHIBIT RP-1

Arizona Corporation Commission Docket No. T-01051B-14-0389 CenturyLink-QC

Page 1 of 5

Bill Date: Account No: Exhibits of Reed Peterson Exhibit RP-1

March 13, 2015

LORIS DANIELS

STATE FARM INSURANCE

Aug 4, 2013 480-892-4100 458B

Visit centurylink.com

S Century**Link**™

\$.00	\$332.88		Out Date of Item Callings
Balance Forward	New Charges	Total Amount Due	Due Date for New Charges

Account Summary

Previous Balance

Charges Payment Balance Forward

Thank you for your payment

644.7798 \$.00

New Charges

For questions, call: 1 800 603-6000

3

332.88 \$332.88

CenturyLink Total New Charges

Business needs change regularly. As a valued business customer, we want to work with you to provide a complete and cost effective solution for your business.

Call (888) 544-4495 today for a free account consultation with a dedicated business sales consultant.

For billing or technical questions, please call (877) 453-9407.

CenturyLink, P O Box 29040, Phoenix, AZ 85038-9040

Please fold, tear here and return this portion with your payment.

CenturyLink

AT 01 001729 10855 H 7 A**3DGT

LORIS DANIELS STATE FARM INSURANCE 1969 W RAY RD #1 CHANDLER AZ 85224-4042 Bill Date: Account No:

Aug 4, 2013 480-892-4100 458B

New Charges:

\$332.88 \$332.88

TOTAL AMOUNT DUE:

Amount Due is charged to your Credit Card.

CENTURYLINK P O BOX 29040 PHOENIX, AZ 85038-9040

- <u>Որբեսաինցինիիչինսիսերուրերնիցիիսինիինինինինիի</u>նումիիննցիաինում

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Arizona Corporation Commission

Docket No. T-01051B-14-0389

CenturyLink-QC

Exhibits of Reed Peterson

Page 2

Exhibit RP-1 March 13, 2015

LORI 8 DANIEL8 STATE FARM INSURANCE Bill Date: Aug 4, 2013 Account No: 480-892-4100 458B

-9- -

For questions, call 1 800 603-6000

CenturyLink*

Total Amount Due Charged to Your Credit Card

\$332.88

Thank you for using the automatic payment system. Payment will be charged to your credit card within 5 days after your bill date.

New Charges

	Other Services
Monthly Charges	289.42
Service Additions and Changes	4.64
Taxes, Fees and Surcharges	
Federal Excise at 3%	6.38
State Sales at 5,6%	13.49
Regulatory Surcharge at .19%	.43
County Sales at .7%	1.66
City Sales at 2,75%	6.49
State 911 at \$.20 per	
access line	.80
Federal Universal Serv Fund at 15.1%	1.84
Federal Universal Serv Fund at 15,266%	3.76
Federal Universal Serv Fund	
Private Line at 15.1%	2.49

001729 2/3



For questions, call 1 800 603-6000

Page 3

New Charges

Local and Other Services Taxes, Fees and Surcharges
Arizona Universal Service Fund
at \$.02 per line
Telecommunications Relay Service
Fund at 1.1% .08 1.40 Subtotal \$332.88

\$332.88

Total New Charges

Monthly Charges

Local and Other Services

Charges from Aug 04 to Sep 03

	an timetty and a ten cook an			
Quantity .	Description	Code	Nem Rate	Amount
t ha a ma	Basic Services	والمرداء فعافيه	and the second s	, decrease Magazini, p. sa. garigan,
4	Federal Access Charge	9ZR	6.12	24.48
4	Access Recovery Charge	9ZR42	2.00	8.00
1 .	Optional Services Choice™ Business Plus (includes your line			
	and your selected features)	PGOQM	49.99	49.99
1	Directory Listing	CLT	4.75	4.75
1	Fixed Mileage Rate	FQYX1	27.50	27.50
1		MBB	13.95	13.95
3	Choice™ Business Prime (includes your line and			
	up to 3 selected features)	PGOQT	36.00	108.00
1	Loop Start Signaling	PJWFX	16.50	16.50
. 1	Network Access Channel	1DC2X	27.50	27.50
5	Transport Channel - Per Mile		27.00	27.50
_	Rate	3LBXA	1.75	8.75
Total Mo	nthly Charges			\$289 42

Service Additions & Changes

Quantity	Description	Code	item Rate	Amount
Jul 01, 2013	Order Number Not Available 480-814-7556			
	Charge Due to Change in Rates 9ZR			.36
	480-814-7556 Charge Due to Change in Rates	•		4.28
	9ZR42			
Total Sen	vice Additions and Changes			\$4.64

continued on back

Arizona Corporation Commission Docket No. T-01051B-14-0389 CenturyLink-QC Exhibits of Reed Peterson Exhibit RP-1 March 13, 2015



For questions, call 1 800 603-6000

Page 4

LORI S DANIELS
STATE FARM INSURANCE
Bill Date: Aug 4, 2013
Account No: 480-892-4100 458B

Local and Other Services

Taxes, Fees & Surcharges Summary

The detail listed below has been included in the New Charges on this bill. This summary is provided as information only.

	Amount
Federal Excise at 3%	6.38
State Sales at 5.6%	13.49
Regulatory Surcharge at .19%	.43
This charge recovers the amount CenturyLink is assessed by the	
Arizona Corporation Commission. This assessment funds the	•
corporation commission, enabling it to perform its lawful duties.	
County Sales at .7%	1.66
City Sales at 2.75%	6.49
State 911 at \$.20 per access line	. 80
This surcharge, funds the cost of providing emergency	•
services communications systems in your community.	
Federal Universal Serv Fund at 15.266%	3.76
This charge recovers the amount CenturyLink contributes to	
the Federal Universal Service Fund. This fund helps	
keep local phone rates affordable for all Americans.	
Federal Universal Serv Fund at 15.1%	1.84
This charge recovers the amount CenturyLink contributes to	
the Federal Universal Service Fund. This fund helps	
keep local phone rates affordable for all Americans.	
Federal Universal Serv Fund Private Line at 15.1%	2.49
This charge recovers the amount CenturyLink contributes to	
the Federal Universal Service Fund. This fund helps	
keep local phone rates affordable for all Americans.	
Arizona Universal Service Fund at \$.02 per line	.08
This charge recovers the amount CenturyLink remits to the Arizona	
Corporation Commission. This fund helps keep basic exchange	****************
rates affordable in high cost rural areas of the state.	
Telecommunication Relay Service Fund at 1.1%	1.40
This charge funds relay centers that help hearing- and	
speech-impaired customers make and receive calls.	
Total Taxes, Fees and Surcharges Summary	\$38.82
Total CenturyLink Local and Other Services	\$332, 88

CenturyLink New Charges	•	\$332.88	
· · · · · · · · · · · · · · · · · · ·		 	

For Your Information

Customers using Teletype (TTY) devices can direct their inquiries to CenturyLink at 1 800 223-3131, a TTY equipped number. Go Greeni Use Control Center at controlcenter.centurylink.com to view your billing and service information on-line and enroll in Paperless Billing or One Page Direct.

EXHIBIT RP-2

Arizona Corporation Commission
Docket No. T-01051B-14-0389
CenturyLink-QC
Exhibits of Reed Peterson
Exhibit RP-2
March 13, 2015

Qwest Corporation d/b/a CenturyLink QC Arizona

COMPETITIVE PRIVATE LINE TRANSPORT SERVICES TARIFF NO. 6 SECTION 5
Page 36
Release 1

Issued: 8-8-13

Effective: 8-9-13

5. SERVICES

5.2 SERVICE DESCRIPTIONS (Cont'd)

5.2.7 FOREIGN CENTRAL OFFICE SERVICE

A. Basic Description

Foreign Central Office (FCO) Service provides dial tone from a customer's serving wire center to a remote wire center in the same exchange. This service is available to either residence or business customers.

B. Terms and Conditions

- 1. FCO Service is offered on individual lines and PBX trunks.
- 2. FCO Service will obtain a line or trunk from the Competitive Exchange and Network Services Tariff. The Network Access Channel is also applicable.
- 3. FCO Service is not in accord with the normal plan of furnishing telephone service and the Company does not obligate itself to furnish such service, particularly where it involves undue expense or impairment of the service furnished to the general public.
- 4. Transport Mileage applies based on airline measurements from the wire center from which the customer actually is served to the serving wire center from which the customer would normally be served.
- 5. FCO Service will not be provided on the same circuit as FX Service.
- 6. Rates and charges for all Optional Features and Functions are as specified in the Competitive Exchange and Network Services Tariff.
- 7. Locality, suburban or exchange zone rate area increments (ZNA/) for any main station or PBX located outside the base rate area of the normal exchange do not apply to FCO Service.

8. Directory Listings

- a. One directory listing will be provided for FCO Service in the wire center where the customer's dial tone is obtained.
- b. Additional listings will be furnished at regular rates and charges as specified in the Competitive Exchange and Network Services Tariff.
- c. Listings in other directories will be furnished at the regular rates for foreign listings as specified in the Competitive Exchange and Network Services Tariff.

March 13, 2015

Qwest Corporation d/b/a CenturyLink QC Arizona

COMPETITIVE
PRIVATE LINE TRANSPORT
SERVICES TARIFF NO. 6

SECTION 5
Page 37
Release 1

Issued: 8-8-13

Effective: 8-9-13

5. SERVICES

- 5.2 SERVICE DESCRIPTIONS
- 5.2.7 FOREIGN CENTRAL OFFICE SERVICE
 - B. Terms and Conditions (Cont'd)
 - 9. Message toll rates are applicable in connection with FCO Service when calls are placed to telephone numbers outside the local calling area of the dial tone wire center.
 - 10. Rates, terms and conditions associated with Directory Assistance apply and are set forth in the Competitive Exchange and Network Services Tariff.
 - 11. Use of Service limitations, as delineated in the Competitive Exchange and Network Services Tariff, apply to FCO Service.
 - 12. The rates for individual line service and PBX trunks are those in effect in the serving (foreign) central office.
 - 13. In the case of Centrex main stations, the basic secondary location Centrex station rate schedule will apply at each FCO station location in addition to mileage and/or incremental charges.
 - 14. Rate Elements
 - Exchange Service Element
 - Network Access Channel (NAC)
 - Channel Performance (CP)
 - Transport Mileage (TM)
 - C. Service Information

SERVICE	CLASS OF SERVICE	NETWORK CHANNEL CODE
Foreign Central Office Line	[1]	UC
Foreign Central Office Trunk	[1]	UD

- 5.2.8 RESERVE FOR FUTURE USE
- 5.2.9 RESERVED FOR FUTURE USE

March 13, 2015

Qwest Corporation d/b/a CenturyLink QC Arizona

COMPETITIVE
PRIVATE LINE TRANSPORT
SERVICES TARIFF NO. 6

SECTION 6 Page 22 Release 1

Issued: 8-8-13

Effective: 8-9-13

6. RATES AND CHARGES

6.2 SERVICE OFFERINGS (Cont'd)

6.2.7 FOREIGN CENTRAL OFFICE SERVICE

		USOC	Nonrecurring Maximum	CHARGE[1] CURRENT
A.	Service Provisioning			
	InitialSubsequent	SCH SCHAX	\$590.00 290.00	\$295.00 145.00
B.	Network Access Channel (NAC), per termination			
	• 2-wire	1DC2X	_	_
C.	Channel Performance (CP), per termination			
	Loop-Start SignalingGround-Start SignalingReverse Battery Signaling	PJWFX PJWMX PJWZX	130.00 130.00 130.00	65.00 65.00 65.00
D.	Transport Mileage (TM)			
	Mileage Bands			
	Over 0 to 8FixedPer mile	FQYX1 3LBXA	140.00	70.00 -
	Over 8 to 25FixedPer mile	FQYX2 3LBXB	140.00	70.00 -
	Over 25 to 50FixedPer mile	FQYX3 3LBXC	140.00	70.00 -
	Over 50FixedPer mile	FQYX4 3LBXD	140.00	70.00

^[1] Pursuant to Decision No. 73354, the rates, terms and conditions associated with Nonrecurring Charges (NRCs) are deregulated. NRC Terms and Conditions can now be found in the Private Line Transport Services Catalog.

Qwest Corporation d/b/a CenturyLink QC Arizona

COMPETITIVE
PRIVATE LINE TRANSPORT
SERVICES TARIFF NO. 6

SECTION 6 Page 23 Release 1

Issued: 8-8-13

Effective: 8-9-13

6. RATES AND CHARGES

6.2 SERVICE OFFERINGS

6.2.7 FOREIGN CENTRAL OFFICE SERVICE (Cont'd)

	•	USOC	MAXIMUM MONTHLY RATE	CURRENT MONTHLY RATE
A.	Service Provisioning			
	InitialSubsequent	SCH SCHAX	_	
В.	Network Access Channel (NAC), per termination			
	• 2-wire	1DC2X	\$67.50	\$27.50
C.	Channel Performance (CP), per termination			
	Loop-Start SignalingGround-Start SignalingReverse Battery Signaling	PJWFX PJWMX PJWZX	36.00 36.00 36.00	16.50 16.50 17.50
D.	Transport Mileage (TM)			
	Mileage Bands			
	Over 0 to 8FixedPer mile	FQYX1 3LBXA	66.00 3.75	27.50 1.75
	Over 8 to 25FixedPer mile	FQYX2 3LBXB	66.00 4.05	27.50 1.75
	Over 25 to 50FixedPer mile	FQYX3 3LBXC	66.00 4.35	27.50 1.75
	Over 50FixedPer mile	FQYX4 3LBXD	66.00 4.65	27.50 1.75

EXHIBIT RP-3



For questions, call 1 800 603-6000

Page 3

LORI 8 DANIELS 8TATE FARM INSURANCE Bill Date: Aug 4, 2013 Account No: 480-892-4100 458B

New Charges

Taxes, Fees and Surcharges
Arizona Universal Service Fund
at \$.02 per line .08
Telecommunications Relay Service
Fund at 1.1% 1.40
Subtotal \$332.88

Total New Charges

\$332.88

Local and Other Services

Monthly Charges

Charges from Aug 04 to Sep 03

	Quantity :	Description	Code	Nom Plate	Amount
The second secon		Basic Services		the grander grander of the contract of the con	commission or processing and a second
	4	Federal Access Charge	9ZR	6.12	24.48
	4	Access Recovery Charge	9ZR42	2.00	8.00
	1	Optional Services Choice™ Business Plus (Includes your line and your selected features)	PGOQM	49.99	49.99
	4	Directory Listing	CLT	4.75	4.75
Billing Element 1	į	D-1 Fixed Mileage Rate * Voice Mail	FQYX1	B-1 27.50 R-1	27.50 13.95
-	ż	Choice™ Business Prime (includes your line and			
		up to 3 selected features)	PGOQT	36.00	108.00
Billing Element 2		D-2 Loop Start Signaling	PJWFX	B-2 16.50 R-2	16.50
Billing Element 3	. 1 5	D-3 Network Access Channel Transport Channel - Per Mile	1DC2X	B-3 27.50 R-3	27.50
Billing Element 4	_	D-4 Rate	3LBXA	B-4 1.75 R-4	8.75
	Totai M	onthiv Charges			\$289.42

Service Additions & Changes

Quantily	Description	Code	Item Plate	Amount
Jul 01, 2013	Order Number Not Available 480-814-7556			
٠,	Charge Due to Change in Rates 9ZR 480-814-7556		•	.36
	Charge Due to Change in Rates 9ZR42	•		4.28
Total Sen	/Ice Additions and Changes			\$4.64

continued on back ∜

Arizona Corporation Commission
Docket No. T-01051B-14-0389
CenturyLink-QC
Exhibits of Reed Peterson
Exhibit RP-3
March 13, 2015

Qwest Corporation d/b/a CenturyLink QC Arizona

COMPETITIVE PRIVATE LINE TRANSPORT SERVICES TARIFF NO. 6 SECTION 6 Page 23 Release 1

Issued: 8-8-13

Effective: 8-9-13

6. RATES AND CHARGES

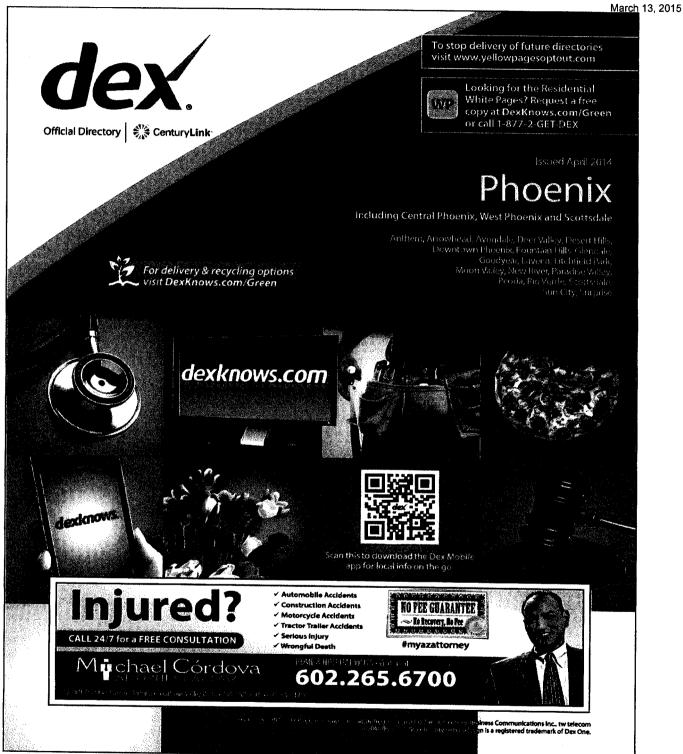
6.2 SERVICE OFFERINGS

6.2.7 FOREIGN CENTRAL OFFICE SERVICE (Cont'd)

	,	USOC	MAXIMUM MONTHLY RATE	CURRENT MONTHLY RATE
A	Service Provisioning			
	InitialSubsequent	SCH SCHAX	- -	
Billing Element 3 B	Network Access Channel (NAC), D-3 per termination			
	• 2-wire	1DC2X B-3	\$67.50	\$27.50 R-3
C	Channel Performance (CP), per termination			
Billing Element 2	 Loop-Start Signaling Ground-Start Signaling Reverse Battery Signaling 	PJWFX B-2 PJWMX PJWZX	36.00 36.00 36.00	16.50 R-2 16.50 17.50
Billing Elements D	Transport Mileage (TM)			
and 4	Mileage Bands			
	 Over 0 to 8 Fixed D-1 Per mile D-4 	FQYX1B-1 3LBXA B-4	66.00 3.75	27.50 R-1 1.75 R-4
	Over 8 to 25FixedPer mile	FQYX2 3LBXB	66.00 4.05	27.50 1.75
	Over 25 to 50FixedPer mile	FQYX3 3LBXC	66.00 4.35	27.50 1.75
	Over 50FixedPer mile	FQYX4 3LBXD	66.00 4.65	27.50 1.75

EXHIBIT RP-4

Arizona Corporation Commission
Docket No. T-01051B-14-0389
CenturyLink-QC
Exhibits of Reed Peterson
Exhibit RP-4



Arizona Corporation Commission
Docket No. T-01051B-14-0389
CenturyLink-QC
Exhibits of Reed Peterson
Exhibit RP-4

dexknows.com

Phone Service Pages

Information You Should Know Regarding Telephone Rates and Charges



How Are My Rates Determined?

Charges are determined by tariffs. A tariff is a public document that details the rates, terms and conditions for each CenturyLink service and product offering. CenturyLink requests rate adjustments to its tariffs with the Arizona Corporation Commission for its services that are regulated by the State of Arizona. Those requests are reviewed by the Commission to determine if it should be accepted, modified or rejected.

Getting Information About My Telephone Service and Rates

CenturyLink's current tariffs, services and rates, can be viewed at our website: www.centurylink.com - click on "fariffs". To request a copy of a specific tariff, Residential customers can call 800 244-1111 and Business customers can call 800 603-6000.

Federal Communications Commission Charges

The FCC permits several charges upon telephone services such as Service Provider Number Portability, Federal Access Charge, Federal Universal Service Fund, Telecom Services Excise Tax as well as other federal charges. For more information concerning FCC charges on your telephone bill, you may visit the FCC web site at: www.fcc.gov/clb/consumerfacts/charges.html

Regulated & Non-Regulated Services

The Corporation Commission regulates telephone services in Arizona. It does not regulate internet or cable services which are considered non-regulated service offerings. If you have a complaint and you are unable to resolve it with your telecommunications provider, you may call the Corporation Commission at 602 542-4251 (Phoenix local area) or 800 222-7000 (outside the Phoenix local calling area).

Telephone Service - CenturyLink

For Your Home

Hours: Monday - Friday, 7:00 a.m. - 7:00 p.m.

Local and Long-distance Services

Local Telephone Service

You have the option to choose your local service provider. CenturyLink is one of many providers of local telephone service. Check the yellow pages for the names of local providers serving your area. The local telephone service you purchase from CenturyLink provides dial tone for calls, access to the long-distance network, calls to 9-1-1, and a white pages directory listing.

Local Long-distance Service

Local long-distance service are calls that originate and terminate in the same LATA. A LATA is a geographic boundary that defines types of long-distance calls and generally includes a metropolitan area and surrounding territory. Charges will usually apply. You have the option to choose your local long-distance provider (subject to availability). CenturyLink is one of the many providers of local (intraLATA) long-distance service. Check the yellow pages for the names and telephone numbers of providers of local long-distance service in your area.

Long-distance Service

Long-distance service are calls that originate in one LATA and terminate in a different LATA. You have the ability to choose your long-distance (interLATA) carrier (subject to availability). Check the yellow pages for the names and telephone numbers of long-distance companies serving your area.

If you do not want local toll calls and long-distance calls to be dialed from your phone, you can ask to have these services blocked (charges may apply).

CenturyLink Rates and Charges

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EXHIBIT RP-5

Arizona Corporation Commission
Docket No. T-01051B-14-0389
CenturyLink-QC
Exhibits of Reed Peterson
Exhibit RP-5
March 13, 2015

Grand Total						9,780.10	1,085.59	10,865.69
59 6/6/2001	Amount	\$1,298.00	\$73.75	\$708.00	\$1,327.50	\$3,407.25	*12	
	Tariff Rate	\$22.00	\$1.25	\$12.00	\$22.50			
11 5/1/2006	Amount	\$275.00	\$17.60	\$165.00	\$275.00	\$732.60	20	4
	Tariff Rate	\$25.00	\$1.60	\$15.00	\$25.00			
4/1/2007	Amount	\$2,117.50	\$134.75	\$1,270.50	\$2,117.50	\$5,640.25	Ē	
No. of Months Rate was in Effect Rate Change Date	Tariff Rate	\$27.50	\$1.75	\$16.50	\$27.50			
	Quantity	Т	S	↔	Н		11.1%	
Disconnect Date 8/16/2013	Billing Element	Fixed Mileage	Variable Mileage	Channel Performance	Network Access Channel		Tax Rate	

BEFORE THE ARIZONA CORPORATION COMMISSION

SUSAN BITTER SMITH

Chairman

BOB STUMP

Commissioner

TOM FORESE

Commissioner

DOUG LITTLE

Commissioner

BOB BURNS

Commissioner

LORI S. DANIELS

Complainant

vs.

DOCKET NO. T-01051B-14-0389

QWEST CORPORATION d/b/a CENTURYLINK QC

DIRECT TESTIMONY

OF

CAROLYN BROWN

ON BEHALF OF

CENTURYLINK

MARCH 13, 2015

1 () .	PLEASE	STATE	YOUR	NAME,	BUSINESS	ADDRESS	AND	POSITION	WITH
-----	------------	---------------	-------	------	-------	-----------------	----------------	-----	-----------------	------

- 2 **CENTURYLINK.**
- 3 A. My name is Carolyn Brown. My business address is 700 W. Mineral Ave., Littleton,
- 4 Colorado, and I am currently employed by CenturyLink as a Regulatory Operations
- 5 Manager. I am testifying on behalf of CenturyLink QC.

6

7 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND

- 8 EMPLOYMENT EXPERIENCE.
- 9 A. In 1990 I received a Master of Science degree in Telecommunications from the University
- of Denver. In 1980, I received a Master of Science degree in Public Administration and
- Public Policy from Purdue University in West Lafayette, Indiana. I received a Bachelor of
- 12 Arts degree in 1978 from Purdue University.

13

- I began my employment with CenturyLink (formerly Mountain Bell, US WEST and
- 15 Qwest) in 1981. Between 1981 and 1998, I held various positions in Network Operations
- and Retail process areas with expertise in the processes and IT systems for ordering,
- provisioning and billing customer services. From May 1998 through July 1999 I held the
- position of Program Director Retail Markets Local Number Portability, responsible for
- the integrated implementation of Local Number Portability for retail markets across U S
- WEST. This Program included Location Number Portability, i.e., the ability for U S
- 21 WEST/QWEST customers to move between central office serving areas and keep their
- 22 telephone number. I led this Program at the time that Location Number portability was
- implemented in Phoenix and other areas of Arizona. From August 1999 through present I
- have held various positions in Wholesale and Regulatory Operations.

ARIZONA CORPORATION COMMISSION DOCKET NO. T-01051B-14-0389 CenturyLink-QC Direct Testimony of Carolyn Brown March 13, 2015, Page 2 of 6

1	Q.	HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE ARIZONA					
2		COMMISSION?					
3	A.	No.					
4							
5	Q.	HAVE YOU TESTIFIED BEFORE OTHER STATE REGULATORY					
6		COMMISSIONS?					
7	A.	No.					
8							
9	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?					
10	A.	The purpose of my testimony is to respond to the complaint filed by Lori S. Daniels					
11		(Docket No. T-01051B-14-0389). I will describe the processes used by U S WEST when it					
12		implemented Location Number Portability for the Company's retail customers in Phoenix					
13		and elsewhere. In particular, I will describe the process used to notify Foreign Central					
14		Office ("FCO") customers within the implementation footprint of the availability of					
15		Location Number Portability.					
16							
17		Reed Peterson is also filing testimony which demonstrates that there is no basis in Ms.					
18		Daniels claims that she was billed inappropriately for her Foreign Central Office Service.					
19							
20	Q.	WHAT IS THE HISTORY OF LOCAL NUMBER PORTABILITY IN THE					
21		PHOENIX ARIZONA AREA?					
22	A.	In 1997 the Federal Communications Commission (FCC) mandated that companies offer					
23		long-term number portability in the 100 largest Metropolitan Statistical Areas (MSAs)					
24		according to a five-phase deployment schedule. There are two types of Local Number					

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Portability—Service Provider Number Portability and Location Number Portability. The FCC only mandated Service Provider Portability, which provides the ability for customers to change local service providers and keep their telephone number. In FCC 96-2861, the FCC declined to order location portability, which provides the ability for customers to move between central office serving areas (within Rate Centers) and keep their telephone number. Service provider portability was implemented in Phoenix per the FCC's schedule in August 1998. Subsequent to the implementation of service provider portability in each MSA, U S WEST/QWEST invested in the network and IT systems upgrades necessary to allow Location Number Portability within a Rate Center for its retail and wholesale customers. Location Number Portability was implemented in Phoenix in May 1999.

Q. MS. DANIELS STATES THAT SHARON BISHOP TOLD HER CENTURYLINK
COULD NOT DETERMINE WHEN THE IMPLEMENTATION OF LOCATION
NUMBER PORTABILITY HAD OCCURRED. DO YOU HAVE AN
EXPLANATION FOR THIS?

A. Yes. As stated above, Location Number Portability was implemented in 1999 – approximately 16 years ago. Neither Sharon, nor any other employee who was not directly involved in the implementation process would have had access to any information relating to an event that happened that long ago. In addition, documentation and records of an event from 1999 would not be retained. Absent a legal requirement to do otherwise, no viable business the size of CenturyLink would maintain complete historical records of all of its operations in perpetuity. In accordance with the Company's records retention

 $^{^1}$ FCC 96-286 First Report and Order and Notice of Proposed Rulemaking Telephone Number Portability, CC Docket No. 95-116, (released July 2, 1996), \P 6.

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process, all of the official records associated with this project are no longer maintained or have been destroyed.

3

- 4 Q. WHILE OFFICIAL DOCUMENTATION OF THE IMPLEMENTATION HAS NOT
- 5 BEEN RETAINED, WERE YOU DIRECTLY INVOLVED IN THE
- 6 IMPLEMENTATION PROCESS?
- 7 A. Yes. I was managing the Location Number Portability process at the time it occurred in
- 8 Phoenix. When this Complaint was brought to my attention late last year, I was able to
- 9 determine that the implementation of Location Number Portability occurred in 1999 in
- 10 Phoenix.

11

- 12 Q. PRIOR TO THE IMPLEMENTATION OF LOCATION PORTABILITY, HOW
- 13 COULD A CUSTOMER MOVE AND RETAIN THE USE OF THEIR ORIGINAL
- 14 TELEPHONE NUMBERS?
- 15 A. Previous to the implementation of Location Number Portability, a customer who moved
- and wanted to continue to use the same telephone numbers in the same manner as they had
- done at the original location had to subscribe to a service such as Foreign Central Office
- 18 ("FCO") service or Foreign Exchange ("FX")² service. Mr. Peterson will describe FCO
- service in his testimony. Once Location Number Portability was implemented, customers
- subscribing to FCO service within a Rate Center could ask to have their telephone numbers
- 21 ported and discontinue subscribing to FCO service.

22

² Newton's Telecom Dictionary, 16th Edition, (2000) p354: "Foreign Exchange provides local telephone service from a central office which is outside (foreign to) the subscriber's exchange area." And Foreign Central Office service as, "getting telephone service in a multi-office exchange from a central office other than the one you are normally served by."

1 Q. DID U S WEST NOTIFY CUSTOMERS IN PHOENIX WHEN LOCATION

NUMBER PORTABILITY BECAME AVAILABLE?

A. Yes. Immediately prior to implementing Location Number Portability in all areas, including Phoenix, U S WEST/QWEST identified all customers who were subscribing to FCO service³ in the Rate Center(s) where location portability was being implemented. A series of letters spanning several months were then mailed to those FCO customers alerting them to the option of discontinuing FCO service and using Location Number Portability to use their original telephone number(s) in a different central office within a Rate Center. The letters instructed the customer to contact the Company via fax, mail or by telephone to authorize and schedule the "porting" of their telephone number(s) to their serving central office and the discontinuance of FCO service. This process was used each time Location Number Portability was implemented, including in Phoenix.

Q. HAS CENTURYLINK RETAINED COPIES OF THE LETTERS SENT TO EVERY FCO CUSTOMER?

A. No. Copies of the actual letters sent during each Local Number Portability implementation are not available due to the company's records retention policies. However, I was able to locate an example of the letters that were sent to FCO customers during these implementations, and these example letters are included in Exhibit CB-1. The letters in CB-1 are representative of the letters used in connection with the implementation of LNP in all parts of Arizona including Phoenix. The example letters in Exhibit CB-1 were present in files unrelated to this case. As the Director in charge of the LNP project I can say with certainty from my direct knowledge and participation in the project that the

³ Based on billing records.

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wording of the letters actually sent to Ms. Daniels and to all other FCO customers in the Phoenix area was the same as presented in the examples, and that those letters were mailed.

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Q. WHAT DO YOU CONCLUDE?

A. U S WEST/QWEST sent multiple letters to its customers who subscribed to FCO service within a Rate Center that was converted to allow location portability. The letters offered the option of discontinuing the FCO service and giving authorization to location port the telephone number(s) to their local serving central office at no extra charge to the customer. As the Director leading the location portability program at the time of implementation, I have direct knowledge that U S WEST/QWEST followed this process in all location portability implementations, including Phoenix, and that as an FCO customer in the Phoenix area Ms. Daniels was given the notification I have described.

13

14

O. DOES THIS CONCLUDE YOUR TESTIMONY?

15 A. Yes, it does.

BEFORE THE ARIZONA CORPORATION COMMISSION

SUSAN BITTER SMITH

Chairman

BOB STUMP

Commissioner

TOM FORESE

Commissioner

DOUG LITTLE

Commissioner

BOB BURNS

Commissioner

LORI S. DANIELS

Complainant

vs.

QWEST CORPORATION d/b/a CENTURYLINK QC

DOCKET NO. T-01051B-14-0389

EXHIBITS

OF

CAROLYN BROWN

ON BEHALF OF

CENTURYLINK

MARCH 13, 2015

EXHIBIT CB-1

P. 02

First Notice

ARIZONA CORPORATION COMMISSION DOCKET NO. T-01051B-14-0389 CenturyLink-QC Exhibits of Carolyn Brown Exhibit CB-1, March 13, 2015



June 22nd, 2001

Dear Qwest Customer:

To provide the highest quality products and services possible, while maximizing the value received for your communication dollar, Qwesto has exciting news for customers using Foreign Central Office Services. Qwest now offers Local Number Portability Services for most locations. As a current subscriber of Foreign Central Office Services, you can benefit from this new technology.

Here's the bottom line on Local Number Portability:

- It's a technological advancement that allows you to retain your current telephone number(s) in
 your existing business location. Previously, keeping your telephone number was only
 accomplished by subscribing to a monthly service called Foreign Central Office Services.
 Converting to Local Number Portability will drop off these FCO charges and save you money.
- Local Number Portability simplifies the service you now receive through your Foreign Central Office line and allows for a wider range of products and services.
- Qwest can convert your Foreign Central Office Services to Local Number Portability without any conversion charges. For a limited time, Qwest is waiving all conversion charges.

To schedule a conversion from Foreign Central Office Service to Local Number Portability Service, please return fax or mail this form complete with your business name, responsible party's signature, billing telephone number, and date. If you have questions regarding Local Number Portability, please contact us directly @ 1 651-261-4781, or fax us @ 1 888-218-1212.

Printed Business Name:	l authorize Qwest to convert my Foreign Central Office Service to Local Number Portability:					
	Printed Business Name:					
Telephone Number:	Telephone Number:					
Authorized Party Printed Name and Official Title:	Authorized Party Printed Name and Official Title:					
Authorized Party Signature:	Authorized Party Signature:					
Date:	Date:					

We look forward to serving you and appreciate your business as a valued Qwest customer.

Sincerely,

Local Number Portability Team

Qwest Communications Inc.

Qweste Small Business Group Attr: LNP Conversion Team 70 W. 4th St. Floor 13C St. Paul, MN 55102

Second Notice

ARIZONA CORPORATION COMMISSION DOCKET NO. T-01051B-14-0389 CenturyLink-QC Exhibits of Carolyn Brown Exhibit CB-1, March 13, 2015



July 27th, 2001

Dear Qwest Customer.

To provide the highest quality products and services possible, while maximizing the value received for your communication dollar, Qwesto has exciting news for customers using Foreign Central Office Services. Qwest now offers Local Number Portability Services for most locations. As a current subscriber of Foreign Central Office Services, you can benefit from this new technology.

Here's the bottom line on Local Number Portability:

- It's a technological advancement that allows you to retain your current telephone number(s) in
 your existing business location. Previously, keeping your telephone number was only
 accomplished by subscribing to a monthly service called Foreign Central Office Services.
 Converting to Local Number Portability will drop off these FCO charges and save you money.
- Local Number Portability simplifies the service you now receive through your Foreign Central Office line and allows for a wider range of products and services.
- Qwest can convert your Foreign Central Office Services to Local Number Portability without any conversion charges. For a limited time, Qwest is waiving all conversion charges.

To schedule a conversion from Foreign Central Office Service to Local Number Portability Service, please return fax or mail this form complete with your business name, responsible party's signature, billing telephone number, and date. If you have questions regarding Local Number Portability, please contact us directly @ 1 651-281-4781, or fax us @ 1 888-218-1212.

I authorize Qwest to convert my Foreign Central Office	Service to Local Number Portability:
Printed Business Name:	
Telephone Number:	
Authorized Party Printed Name and Official Title:	
Authorized Party Signature:	
Date:	
We look forward to serving you and appreciate your bu	siness as a valued Qwest customer.
Sincerely,	
Local Number Portability Team	
Qwest Communications Inc.	

Qweste Small Business Group Attn: LNP Conversion Team 70 W. 4th St, Floor 13C St. Paul, MN 55102

Final Notice

ARIZONA CORPORATION COMMISSION
DOCKET NO. T-01051B-14-0389
CenturyLink-QC
Exhibits of Carolyn Brown
Exhibit CP 1, March 13, 2015

June 18th, 2001

Dear Qwest Customer:

In May 2001 we sent you a letter explaining Local Number Portability and offered you the opportunity to save money by converting your Foreign Central Office line(s) to Local Number Portability. In the past, due to technical limitations, it was often necessary to change your telephone number(s) when relocating your businesss. Some businesses, such as yours, opted to pay for a monthly service that allows your existing telephone number(s) to ring at your new location. This is called a Foreign Central Office line.

Qwest now offers Local Number Portability, which is a technological advancement allowing you to retain your current telephone number(s) in your existing business location. With Local Number Portability, you will no longer have to pay the additional service charges that are required with a Foreign Central Office line. In order for you to begin saving money, Qwest needs your authorization to change your service to Local Number Portability. To facilitate the change, Qwest is waiving all conversion charges. However, this is our final notice in the Tucson metro area.

Until July 20th, 2001, Qwest is offering to credit the monthly recurring price difference between Foreign Central Office lines and Local Number Portability lines, retroactive to April 10, 2000. After July 20th, 2001, you will still be able to change to Local Number Portability, but the effective billing will begin on the day the change is made.

If you have faxed or mailed your authorization for this conversion, then please disregard this notice. However, if you have not returned this form but would like to authorize a conversion, then please fax or mail this completed form immediately to expedite the conversion process. If you have questions regarding the conversion, please contact us directly @ 1 651-281-4781, or fax us @ 1 888-218-1212.

I authorize Qwest to convert my Foreign Central Office Service to Local Number Portability.						
Printed Business Name:						
Telephone Number:						
Authorized Party Printed Name and Official Title:						
Authorized Party Signature:						
Date:						

We look forward to serving you and appreciate your business as a valued Qwest customer.

Sincerely,

Local Number Portability Team

Qwest Communications Inc.

Qwesto Small Business Group Attn: LNP Conversion Team 70 W. 4th St, Floor 13C St. Paul, MN 55102